

Exhibit 13

UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
SAN ANTONIO DIVISION

In re:)
) LEAD CASE No. 22-50591-CAG
CHRIS PETTIT & ASSOCIATES,)
P. C.) SECOND CASE No. 22-50592-CAG
)
CHRISTOPHER JOHN PETTIT)
) Chapter 11
Jointly Administered) (Jointly Administered Under
Debtors) Case No. 22-50591)
)
)

RULE 2004 ORAL EXAMINATION OF
KAREN NELSON
DESIGNATED REPRESENTATIVE OF WELLS FARGO BANK, N.A.
FEBRUARY 6, 2023
VOLUME 1
(REPORTED REMOTELY VIA ZOOM VIDEOCONFERENCE)

RULE 2004 ORAL EXAMINATION VIA ZOOM VIDEOCONFERENCE
OF KAREN NELSON DESIGNATED REPRESENTATIVE OF WELLS FARGO
BANK, N.A., produced as a witness at the instance of the
Attorneys for Robin and Mark Verstuyft and Eric B.
Terry, Chapter 11 Trustee for the Estate of Chris Pettit
& Associates, P.C. and duly sworn, was taken in the
above-styled and numbered cause on February 6, 2023,

1 from 9:05 a.m. to 6:35 p.m., before Deborah A. G.
2 Davidson, CSR, RPR, in and for the State of Texas,
3 reported by machine shorthand, with the witness located
4 in Sandy, Utah, pursuant to the 2004 Federal and Local
5 Rules of Bankruptcy Procedure and the provisions stated
6 on the record or attached hereto.

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1 A-P-P-E-A-R-A-N-C-E-S

2 FOR WELLS FARGO BANK, N.A. DEPONENT:

3 Mr. Jarrod D. Shaw (Vi a Vi deoconference)
4 MCGUIRE WOODS, LLP
5 Tower Two-Sixty
6 260 Forbes Avenue, Suite 1800
7 Pittsburgh, PA 15222
8 Phone: (713) 493-7547
9 jshaw@mcguirewoods.com

10 FOR ROBIN AND MARK VERSTUYFT and ERIC B. TERRY, CHAPTER
11 TRUSTEE FOR THE ESTATE OF CHRIS PETTIT & ASSOCIATES,
12 P.C.:

13 Ms. Leslie M. Luttrell (Via Videoconference)
14 LUTTRELL + CARMODY LAW GROUP
15 100 N.E. Loop 410, Suite 615
16 One International Centre
17 San Antonio, Texas 78216
18 Phone: (210) 426-3600
19 luttrell@lclawgroup.net

20 FOR COUNSEL FINANCIAL II, LLC AND COUNSEL FINANCIAL
21 HOLDINGS:

22 Mr. Randall A. Pulman (Via Videoconference)
23 PULMAN, CAPPUCCIO & PULLEN, LLP
24 2161 NW Military Highway
25 Suite 400
San Antonio, Texas 78213
Phone: (210) 222-9494
rpulman@pulmanlaw.com

FOR BEYER LIVING TRUST and ERIC B. TERRY, CHAPTER 11
TRUSTEE FOR THE ESTATE OF CHRIS PETTIT & ASSOCIATES,
P.C.:

Mr. Morris E. "Trey" White, III (Via Videoconference)
VILLA & WHITE, LLP
1100 NW Loop 410
Suite 802
San Antonio, Texas 78213
Phone: (210) 225-4500
treywhite@villawhite.com

1 FOR STEPHEN JONES AND J. ALBERT JONES TRUST:

2 Mr. David McQuade Leibowitz (Via Videoconference)
3 LAW OFFICES OF DAVID MCQUADE LEIBOWITZ, PC
4 517 Soledad Street
5 San Antonio, Texas 782015
6 Phone: (210) 225-8787
7 david@leibowitzlaw.com

8 FOR BILL AND SANDY DAILEY AND COKER-DAILY LIVING TRUST:

9 Mr. Brian M. Dennis (Via Videoconference)
10 LANG LAW FIRM, P.C.
11 10500 Heritage Blvd.
12 Suite 200
13 San Antonio, Texas 78216
14 Phone: (210) 479-8899
15 brian@langfirm.com

16 ALSO PRESENT:

17 William Perotti, (Via Videoconference)
18 Jared Graves, (Via Videoconference)
19 Karen Seifert, (Via Videoconference)
20 Earl Beyer, (Via Videoconference)
21 Ken Beyer, (Via Videoconference)
22 Ken Locke, (Via Videoconference)
23 Christina McQueary, (Via Videoconference)
24 Robin Verstuyft, (Via Videoconference)
25 Stephen Jones, (Via Videoconference)
Karen Nelson, (Via Videoconference)
The Witness;
Deborah Davidson, (Via Videoconference)
Certified Shorthand Reporter.

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23
24
25 Reporter's Note: Quotation marks are used for clarity
and do not necessarily reflect a direct quote

1 2004 notice?

2 A. I did review it. I don't know that I
3 understood all of the terminologies since I'm not an
4 attorney.

02: 01 5 Q. Okay. I'm going to ask you again. As you sit
6 here today do you have any knowledge of the existence or
7 absence of Wells Fargo's policies and procedures related
8 to active federal laws and -- which include 12 CFR 21.21
9 and 31 U.S.C. 5318?

02: 02 10 A. I don't know if this is what you're looking
11 for, but what I can tell you is that Wells Fargo has
12 procedures that -- that we comply with regarding the
13 Bank Secrecy Act and anti -- anti-money laundering.

14 Q. And have you had any involvement in the
02: 02 15 enforcement of those policies or procedures?

16 A. No.

17 Q. Has anyone under your supervision or control
18 had any involvement in the enforcement of those policies
19 or procedures?

02: 03 20 A. No.

21 Q. With regard to the -- with regard to the --
22 with regard to the Wells Fargo Code of Ethics, are you
23 familiar with that document?

24 A. I am.

02: 03 25 Q. Okay. And can you agree with me that it is --

1 it is included in and is a tenet the Wells Fargo Code of
2 Ethics that employees of Wells Fargo complete all due
3 diligence requirements related to customers that are
4 accepted into the bank?

02:04 5 A. I don't have the document memorized, Code of
6 Ethics document. What you stated sounds accurate.

7 MS. LUTTRELL: Let's go to page 17 of the
8 Code of Ethics, please.

9 Q. (BY MS. LUTTRELL) First and foremost,
02:05 10 Ms. Nelson, do you recognize this as the current Code of
11 Ethics and Business Conduct for Wells Fargo?

12 A. I believe that's the -- the current version.

13 MR. LEIBOWITZ: Ms. Luttrell, is that
14 Exhibit 10, ma'am?

02:05 15 MS. LUTTRELL: It -- it is about to be
16 marked as Exhibit 10.

17 MR. LEIBOWITZ: Okay. I beg your pardon.
18 Thank you.

19 MS. LUTTRELL: That's quite all right.
02:05 20 Ms. Davidson, would you please note that the Wells Fargo
21 Code of Ethics shall be identified as Exhibit 10?

22 THE REPORTER: Yes.

23 (Exhibit 10 marked.)

24 Q. (BY MS. LUTTRELL) Yeah. So in -- do you
02:05 25 recognize the -- have you reviewed the -- the page that

1 is up before you, which is page 17 of it looks like 28,
2 29?

3 MR. SHAW: Leslie, just for clarity, I
4 think it's 16 of the PD -- of the document itself, but
02:06 5 page 17 of the PDF.

6 MS. LUTTRELL: Okay. Well, I can't see --
7 I can't see the page on my document, on what's up in
8 front of me.

9 MR. SHAW: Well, my nose is an inch from
02:06 10 the screen. I'm just trying to read it.

11 MS. LUTTRELL: Okay.

12 Q. (BY MS. LUTTRELL) So if it's page 16 on
13 there -- yeah, page 16. So will you read for the record
14 or read to yourself -- the section on the right-hand
02:06 15 side of the page that is identified as employee
16 responsibilities? And let me know when you have
17 completed your review.

18 A. Okay.

19 MS. LUTTRELL: Okay. Scroll up to the top
02:07 20 of that page if you would, Mr. Perotti.

21 Q. (BY MS. LUTTRELL) And so this is -- this is the
22 section called Anti-Money Laundering, correct?

23 A. That's correct.

24 Q. Okay. So you can agree with me, can't you,
02:07 25 Ms. Nelson, as the representative of Wells Fargo that it

1 is the responsibility of each employee of Wells Fargo to
2 complete all customer due diligence requirements?

3 A. Yes. I'm sorry. It -- was that a -- of course
4 I couldn't tell if that was a question or a statement,
02:08 5 but yes, I agree to that.

6 Q. All right. And can you also agree with me that
7 it is a requirement -- a condition of employment with
8 Wells Fargo that each employee with a responsibility to
9 do so is to be alert to and report any unusual or
02:08 10 suspicious activity to their manager and internal groups
11 responsible for Anti-Money Laundering compliance?

12 A. That's correct.

13 Q. And as the representative of Wells Fargo here
14 today, is it your testimony that Wells Fargo complete --
02:08 15 Wells Fargo employees complete all due -- all customer
16 due diligence requirements?

17 A. Yes. Wells Fargo complies with all applicable
18 law.

19 Q. All applicable law. Okay. Do you know what
02:09 20 laws are applicable to the completion of customer due
21 diligence requirements?

22 MR. SHAW: Objection. It calls for a legal
23 conclusion. It's outside the scope. Ms. Nelson is not
24 a lawyer.

02:09 25 MS. LUTTRELL: Ms. Nelson just testified

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CHANGES AND SIGNATURE

WITNESS NAME: KAREN NELSON VOLUME 1

DATE OF DEPOSITION: FEBRUARY 6, 2023

PAGE	LINE	CHANGE	REASON
------	------	--------	--------

1 I, KAREN NELSON, have read the foregoing
 2 deposition and hereby affix my signature that same is
 3 true and correct, except as noted above.

4 _____
 KAREN NELSON

5
 6 THE STATE OF _____)

7 COUNTY OF _____)

8 Before me, _____, on this day personally
 9 appeared KAREN NELSON, known to me (or proved to me
 10 under oath or through _____)
 11 (description of identity card or other document) to be
 12 the person whose name is subscribed to the foregoing
 13 instrument and acknowledged to me that they executed the
 14 same for the purposes and consideration therein
 15 expressed.

16 Given under my hand and seal of office this
 17 _____ day of _____, _____.

18
 19 _____
 20 NOTARY PUBLIC IN AND FOR
 21 THE STATE OF _____

22 My commission expires: _____

23 _____ No Changes Made _____ Amendment Sheet(s) Attached
 24
 25

1 UNITED STATES BANKRUPTCY COURT
 2 FOR THE WESTERN DISTRICT OF TEXAS
 3 SAN ANTONIO DIVISION

3 In re:) LEAD CASE No. 22-50591-CAG
 4)
 4 CHRIS PETTIT & ASSOCIATES,) SECOND CASE No. 22-50592-CAG
 5 P. C.)
 5)
 6 CHRISTOPHER JOHN PETTIT) Chapter 11
 6) (Jointly Administered Under
 7 Jointly Administered) Case No. 22-50591)
 7 Debtors)

8 REPORTER'S CERTIFICATION OF

9 THE RULE 2004 ORAL EXAMINATION OF

10 KAREN NELSON

11 DESIGNATED REPRESENTATIVE OF WELLS FARGO BANK, N.A.

12 FEBRUARY 6, 2023

13 VOLUME 1

14 (REPORTED REMOTELY VIA ZOOM VIDEOCONFERENCE)

16 I, Deborah A.G. Davidson, Certified Shorthand
 17 Reporter and Notary Public in and for the State of
 18 Texas, hereby certify to the following:

19 That the witness, KAREN NELSON, was duly sworn
 20 by the officer and that the transcript of the oral
 21 deposition is a true record of the testimony given by
 22 the witness;

23 That the original deposition was delivered to

24 _____;

25 That a copy of this certificate was served on

1 all parties and/or the witness shown herein on

2 _____.

3 I further certify that pursuant to the 2004
4 Federal and Local Rules of Bankruptcy Procedure that the
5 signature of the deponent:

6 __X__ was requested by the deponent or a party
7 before the completion of the deposition and that the
8 signature is to be before any notary public and returned
9 within 30 days from date of receipt of the transcript.

10 If returned, the attached Changes and Signature Page
11 contains any changes and the reasons therefore:

12 _____ was not requested by the deponent or a
13 party before the completion of the deposition.

14 I further certify that I am neither counsel
15 for, related to, nor employed by any of the parties or
16 attorneys in the action in which this proceeding was
17 taken, and further that I am not financially or
18 otherwise interested in the outcome of the action.

19 Certified to by me this, the 14th of February,
20 2023.

21 

22 Deborah A. G. Davidson, Texas CSR 1857
23 Expiration Date: 8/31/2024
24 Firm Registration No. 253
25 Davidson Reporting, Inc.
926 Chulie Drive, Suite 115
San Antonio, Texas 78216
Phone: (210) 340-3656

